

# **Decision Memo**

## **Goldwedge 2014 Mineral Exploration Project Scorpio Gold (US) Corp/Goldwedge LLC**

**Tonopah Ranger District, Humboldt-Toiyabe National Forest  
Nye County, Nevada**

### **BACKGROUND**

Scorpio Gold (US) Corporation, managing corporation of Goldwedge LLC, submitted a Plan of Operations dated Oct. 23, 2014 for their proposed Goldwedge 2014 exploration project. The Plan (POO #04-15-01), proposes to construct approximately 3,253-feet of new temporary roads (approximately 12 feet in width), plus the use of approximately 7,006-feet of overland travel, in order to access and drill at up to 41 drill sites. Each drill site would require a pad approximately 50 by 80 feet in size and would include a sump (15 x 10-feet) to contain drill cuttings and fluids. Sumps will be constructed with wildlife exit ramps for the protection of livestock and wildlife.

### **LOCATION**

The Goldwedge 2014 mineral exploration project is located in the central Toquima Range on National Forest System land administered by the U.S. Department of Agriculture, Forest Service, Tonopah Ranger District. The project area lies approximately 1 mile west of Manhattan, Nevada in Section 13 of T8N, R43, and Section 18 of T8N, R44E. Access to the project area will be eastward from Smoky Valley along State Hwy 377.

### **PROPOSED ACTION**

Goldwedge LLC proposes to construct drill pads, sumps, and approximately 3,353-feet of new temporary road in support of drilling to explore for precious metal minerals. The proponent's need is to determine if economically viable precious metals-bearing deposits exist within the proposed Project Area, and define the nature and extent, shape, and economic value of those deposits, if identified. The statutory right of the proponent to explore for and develop mineral resources on federally-administered lands is recognized in the General Mining Law of 1872, and is consistent with the Toiyabe National Forest Land and Resource Management Plan of 1986 (IV-50). Surface management regulations require that all mineral exploration, development, and operations activities be conducted in a manner that minimizes adverse environmental impacts on National Forest surface resources (36 CFR 228.8). The project area is open to entry under the mining laws. The anticipated disturbance for this drilling program would be approximately 6.9 acres including drill pad, sump, new temporary road construction and overland travel routes.

Maximum depths of reverse-circulation or core drill holes are estimated to be approximately 1,200 feet below ground surface, and more than one hole may be drilled from each drill pad. Drill holes will be vertical or angled.

Mechanized equipment proposed for the project includes two drill rigs (a core drill rig, and a reverse-circulation drill rig) to be used concurrently: one D7 dozer or equivalent, one 325C excavator or equivalent, one rubber-tired backhoe, a water truck, pipe truck, an air compressor and a portable light plant/generator. In addition, 4-wheel drive pickup trucks will be used for transport of drilling personnel.

All drill holes will be plugged per Nevada State standards upon completion of each drill hole before the drill rig moves to drill the next hole. Upon conclusion of all exploration activities, all drill pads, sumps and new road construction will be regraded to pre-exploration slopes, new roads would be pulled back to contour, and removed soil would be spread on top of regraded areas. All trash, scrap material, and sample bags will be removed and properly disposed of to prevent harm to wildlife, people and equipment. An approved Forest Service native seed mix would be applied and raked into the soil of disturbed areas.

Environmental protection measures would be implemented to minimize potential negative effects to resources including air quality, water quality, solid wastes, scenic values, wildlife and vegetation, cultural resources, and hazardous substances as described in the project's Public Scoping and Notice of Proposed Action and Opportunity to Comment.

## **DECISION**

I have decided to approve the Plan of Operations (PoO) #15-04-01 for Goldwedge LLC to perform the described mineral exploration activities as summarized above, with additional mitigation requirements. The complete list of additional required mitigation measures is included in the project record, and will be incorporated into the PoO (Section VI[A]-required changes/modifications/special mitigation). The complete PoO is on file in the Tonopah Ranger District office.

Key environmental elements of proponent responsibility include the following:

- Help prevent the spread and introduction of noxious weeds into and within the project area by requiring proponent to wash all vehicles and equipment used on the project site immediately before accessing project site, and to wash all vehicles each time said vehicles/equipment go off-site to another project area before accessing project site again.
- Limit noise and vibration disturbance to a minimum by operating up to two drill rigs concurrently; keeping the drill rigs in close proximity to each other; and beginning drilling operations along one side of the project area, then progressing through the project area to the other side of the project site.
- Only one drill hole per drill rig will be open at any one time during operations. The hole must be properly abandoned before the drill rig leaves the hole.
- Ensure all excavation work associated with road construction, drill pads, sumps, and reclamation, does not inadvertently seal off or direct water runoff into any AML.
- Reclamation and seeding of drill pads, sumps, newly constructed access roads, and other areas of disturbance will occur immediately upon conclusion of all work on the project. Unsuccessful revegetation will be reseeded as needed. The seed mix used will be approved by the District biologist.
- All operations, including reclamation, will be completed within one year from the commencement

of ground disturbance.

- In order to avoid possible disturbance to bats that may be using abandoned mine lands (AMLs) within the project area, all work within 528-ft of the four identified potential bat hibernacula/maternity roosts will be limited to the periods of April 1-May 1, and from August 15-November 1 of the year only; all other drill sites may be drilled at any time during the year. The Limited Operating Period includes drill sites 13, 14, 17, 18, 19, 23, 28, 36, 55, 56, 57, 59, and 60, as depicted on Goldwedge LLC Proposed Exploration Locations map, Figure 3, dated 1/19/2016.
- A 100-ft no drill buffer will be maintained between all drill sites and the nearest AML in order to reduce the chances of vibrations from drilling activities damaging or collapsing the AML and any historic structures related to the AMLs.
- Night-time drilling activities are permitted, however, if activities are conducted during the night, observe Dark Sky Lighting guidelines consisting of limiting the amount of light to only that which is absolutely necessary for safe operations, shielding that directs light downward where it will be most useful, and turning off lights when not needed.
- Disturbance to sagebrush will be avoided or minimized to the extent practicable.
- Sumps will be constructed with ramps to provide for the egress of wildlife and livestock.
- Maintain a speed limit of a maximum of 25 mph during construction, maintenance, and drilling, and all safety hazards will be marked with signs, fenced, or otherwise identified to protect the public.

This action is categorically excluded from documentation in an environmental impact statement or environmental assessment. The proposed action with additional mitigation falls within the category of actions described at 36 CFR 220.6 (e)(8) - Short-term (1 year or less) mineral, energy, or geophysical investigations and their incidental support activities that may require cross-country travel by vehicles and equipment, construction of less than 1 mile of low standard road, or use and minor repair of existing roads.

I find that this action does not involve any extraordinary circumstances as listed in 36 CFR 220.6(b):

*a. Federally listed threatened or endangered species or designated critical habitat, species proposed for Federal listing or proposed critical habitat, or Forest Service sensitive species:*

- **Listed and Proposed species** - There are no federally threatened or endangered species or critical habitat within the project area. No proposed critical habitat is within the project area and no species proposed for listing were identified within the project area during wildlife field inventories conducted during May and June 2014. Consultation with the USFWS was not warranted for this project. (Biological Evaluation, Goldwedge Exploration Project, April 2016.)
- **Forest Service Sensitive Species** – Five Forest Service sensitive species of wildlife, and four sensitive species of plants, have the potential to occur within the project area. The five species of wildlife having the potential to occur are: northern goshawk, peregrine falcon, flammulated owl, spotted bat, and Townsend's big-eared bat. The four species of plants having the potential to occur are: Eastwood milkweed, Toquima milkvetch, Toiyabe buckwheat, and bashful beardtongue. Of the above animal and plant species, only one, the Townsends big-eared bat, was found during

wildlife and botanical field inventories conducted in May-June 2014, including an acoustic survey for bats. Although no spotted bats were found during the wildlife survey, suitable foraging habitat does exist within the project area. However, the project BE found that the project's activities would have no long-term impact on either species of bat. Several Priority migratory bird species were observed during the wildlife surveys, however, due to the short-term and limited size of the project, the BE found that there will be no cumulative effects to migratory birds, especially priority species of concern, including the golden eagle. (Goldwedge Exploration Project Biological Evaluation, April 2016.)

I have reviewed the project file and find the activity would have a minor impact on this resource.

b. *Flood plains, wetlands, or municipal watersheds*: I have reviewed the project file and find the activity would have no impact on this resource. No project activities are proposed in flood plains or wetlands. No municipal watersheds lie within or adjacent to the project.

c. *Congressionally designated areas, such as wilderness, wilderness study areas, or national recreation areas*. I have reviewed the project file and find the activity would have no impact on this resource. The project area is not located in, nor would the project have any negative direct, indirect, or cumulative impacts on, any congressionally designated areas.

d. *Inventoried roadless areas*. No inventoried roadless areas (IRAs) are present within or adjacent to the project area, with the closest IRA lying approximately five miles beyond the boundaries of the project area.

e. *Research natural areas*. There are no research natural areas within the project area. I have reviewed the project file and find the activity would have no impact on this resource.

f. *American Indians and Alaska Native religious or cultural sites*. No American Indian religious or cultural sites have been identified within the project area.

g. *Archaeological sites, or historic properties or areas*. The project would have no adverse effect upon archeological sites or historic properties or areas. SHPO concurrence was received on March 2016.

## **PUBLIC INVOLVEMENT**

A Scoping Notice of Proposed Action with a 30 day comment period was mailed in November 2014 to all potentially concerned individuals and organizations, and a scoping notice was sent by email to the Nevada State Clearinghouse as well. Project information was also entered into the Forest Service's Planning Appeals and Litigation (PALS) database on January 1, 2015 and subsequently published to the Schedule of Proposed Actions (SOPA), which can be viewed by the public. Timely responses were received from the Nevada Department of Wildlife (NDOW), the Nevada Division of Water Resources, the Nevada Division of State Lands, and the Nevada Division of Minerals.

In their letter, NDOW stated that the project area provides some winter/spring habitat for mule deer and recommended disturbing the minimal area as possible. In addition, NDOW stated that project activities should avoid/minimize activities to any caves or abandoned mines which might serve as bat roost and maternity sites. NDOW also advised that ground disturbing activities should avoid the breeding and nesting season of migratory birds, including eagles and hawks, by avoiding project disturbing activities between approximately March 1 and July 31. If this seasonal avoidance was not practicable, NDOW stated that a qualified biologist survey the project site prior to any ground disturbing activities to determine if nesting is underway.

Regarding NDOW's comments, the project BE stated that mule deer (a U.S. Forest Service management indicator species) sign, scat and tracks were observed during the wildlife survey throughout the project area. In addition, the project is located within year-round mule deer habitat. However, due to the project's short-term nature, the availability of similar habitat surrounding the project area, and mitigation measures to be required, including the reclamation and reseeded of all disturbances with a native seed mix with species suitable for deer browse, the BE found that the project would result in only a temporary loss of less than one year of habitat for mule deer.

Regarding NDOW's concerns about bats, the project BE noted that a Townsend's big-eared bat was identified in an AML during the wildlife survey, and that although no spotted bats were found, the project site includes suitable foraging habitat for spotted bat. However, the BE noted that with the mitigation measures specified, the project's proposed action may only impact individuals, but is not likely to cause a trend toward federal listing or loss of viability to either Townsend's big-eared bat, nor the spotted bat.

Lastly, regarding NDOW's comment relative to nesting migratory birds, several migratory bird species were found in the project area during the wildlife survey. However, because the proposed action will not result in the cutting of any large pinyon or juniper trees in the project area, and since the total area to be disturbed is less than 7 acres, and since part of the Limited Operating Period specified for some of the drill sites overlaps with the migratory bird nesting season, that impacts to migratory bird species in the project area would be only minimal and temporary in nature.

In their comments, the Division of Water Resources stated that there were no active water rights appurtenant to a portion of the described lands in the proposed project area, and that any water or monitor wells must be plugged and abandoned as required in Chapter 534 of the Nevada Administrative Code. The Water Resources Division also stated that if artesian water is encountered in any well or borehole, it shall be controlled as required in NRS 534.060(3).

Regarding their comment concerning water rights, subsequent discussions and contact between Scorpio Gold, and the Division of Water Resources, determined that Scorpio Gold does indeed have water rights for the project area, which will be used for drilling operations in the proposed project. All wells--and any artesian waters encountered--will be plugged and abandoned in accordance with the appropriate Nevada State statutes.

In their comments, the Nevada Division of State Lands stated that cumulative visual impacts from development activities should be considered, and that appropriate lighting, including "Dark Sky"

lighting practices should be followed, along with the use of building materials, colors and site placement that are compatible with the natural environment. Regarding these comments, no structures will be constructed during the operation of this project, and if night-time operations are conducted on the project site, Dark Sky and appropriate temporary lighting practices will be followed.

In their comments, the Nevada Division of Minerals stated that they approve of the project as written.

In their letter of March 30, 2016, SHPO concurred with the Forest Service's determination that the proposed undertaking will pose no adverse effect to historic properties for this undertaking. Furthermore, SHPO acknowledged Forest Service consultation with the affected Native American tribes had been initiated. SHPO also noted that if any buried or previously unidentified cultural resources are located during the project activities, all work in the vicinity of the find should cease and SHPO should be notified for additional consultation before work activities are permitted to resume.

### **TRIBAL INVOLVEMENT**

A letter soliciting comments on the Proposed Action was provided to local American Indian Tribes on December 23, 2015. In addition, the District Ranger briefed members of the Yomba Tribal Council on the proposed project September 12, 2014. Subsequently, one tribal representative of the Duckwater Tribe requested a site tour of the project area; this tour was accomplished on March 8, 2016 and resulted in no concerns from the tribal representative.

### **FINDINGS REQUIRED BY OTHER LAWS**

My decision is consistent with the Toiyabe National Forest Land and Resource Management Plan (1986). The project conforms to forest plan standard and guidelines for recreation, cultural resources, soil and water, wildlife and fisheries.

My decision complies with the:

- The Mining Act of May 10, 1872, as amended, 30 U.S.C. 21-54 (1994): confers a statutory right to enter upon the public lands to search for minerals
- 37 CFR 228 Subpart A-Locatable Minerals
- FSM 2600 Wildlife, Fisheries, and Sensitive Plant habitat Management; FSH 2609.13 Wildlife and Fisheries program management handbook
- Migratory Bird Treaty Act
- National Historic Preservation Act and 36 CFR Part 800-The Section 106 Process
- Endangered Species Act
- National Clean Water Act as amended
- Executive Order 11988 – Floodplain Management
- Executive Order 12898 – Environmental Justice

- Humboldt-Toiyabe FSM Supplement to Chapter 2080 – Noxious Weeds Management
- FSM 7711 Transportation Analysis

### **IMPLEMENTATION DATE**

The proposed actions described in this decision may be implemented after:

- The Forest Service has accepted the reclamation bond posted by the operator,
- The operator has signed acceptance of, and the District Ranger has approved, the final Plan of Operations,
- The operator has received an approval letter from the District Ranger authorizing work to proceed, and
- Operator has secured any other applicable state, local and federal permits and authorizations.

### **ADMINISTRATIVE REVIEW (APPEAL) OPPORTUNITIES**

This decision is not subject to appeal pursuant to Agricultural Act of 2014 Public Law No. 113-79, Section 8006. On January 17, 2014, the President signed into law the Consolidated Appropriations Act of 2014 (Pub. L. No. 113-76). Section 431 of that Act directs that the 1992 and 2012 legislation establishing the 36 CFR 215 (post-decisional appeals) and 36 CFR 218 (pre-decisional objections) processes “shall not apply to any project or activity implementing a land or resources management plan...that is categorically excluded...under the National Environmental Policy Act [NEPA].” On February 7, 2014, the President signed into law the Agricultural Act of 2014 (Farm Bill) (Pub. L. No. 113-79). Section 8006 of the 2014 Farm Bill repealed the Appeals Reform Act (ARA) (Pub. L. No. 102-381). The ARA’s implementing regulation was 36 CFR 215. As a result of these two statutes, the Forest Service will no longer offer notice, comment and appeal opportunities pursuant to 36 CFR 215 for categorically excluded projects.

### **RESPONSIBLE OFFICIAL**

The responsible official for this project is Erik Taylor, Austin/Tonopah District Ranger, Humboldt-Toiyabe National Forest, P.O. Box 3940, Tonopah, Nevada, 89049.

### **PROJECT CONTACT**

This Decision memo and its associated project file may be reviewed at the Tonopah Ranger District office in Tonopah, Nevada. For further information, contact Jim Rigby, Tonopah Ranger District, P.O. Box 3940, Tonopah, Nevada, 89049, or at 775-482-7887. Email: [jrigby@fs.fed.us](mailto:jrigby@fs.fed.us).



ERIK D. TAYLOR  
District Ranger  
Tonopah Ranger District

Date: June 1, 2016

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